GOVERNMENT OF INDIA
COMMUNICATIONS
LOK SABHA

UNSTARRED QUESTION NO:4032
ANSWERED ON:10.08.2016
Penalties on Defaulting Telecompanies
Mishra Shri Anoop

Will the Minister of COMMUNICATIONS be pleased to state:

(a) the number of companies which have not declared the required information for getting licences and failed to roll out the service within stipulated time frame during the last three years;

(b) the number of companies to which notices were issued by Telecommunication Department;

(c) whether such companies have been penalized by Telecommunication Department;

(d) if so, the details of the companies penalized along with the details of penalties recovered, company-wise; and

(e) if not, the reasons for not levying penalty on all companies found guilty?

Answer

THE MINISTER OF STATE (IC) OF THE MINISTRY OF COMMUNICATIONS &
MINISTER OF STATE IN THE MINISTRY OF RAILWAYS
(SHRI MANOJ SINHA)

(a) to (e) Madam, the licenses for provision of Telecom Services are granted by Department of Telecommunications under section 4 of the Indian Telegraph Act, 1885 following a due process. No license is granted without furnishing the requisite information by applicant as per the format of application.

In the year 2010, at the time of auction of 3G spectrum, the rollout obligations were linked with allocation of spectrum for the first time. Thereafter, from the year 2012 onwards, auction of spectrum has been done on yearly basis and the rollout obligations are linked with the allocation of spectrum. Therefore, the roll-out obligations of various operators are based on the date on which they get the spectrum allocated and is spread overtime. Examination/ verification of fulfillment thereof as well as imposition of penalty in the form of Liquidated Damages (LD) are done in a routine manner, which is a continuous process.

For failure to rollout the Access Services within stipulated time frame during last three years, notices in respect of LD have been issued to 3 companies. The details are as below:
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S.No. Company Name Amount of LD (Rs. In crore) Remarks
1 M/s Reliance Communications Limited 67.334 Show Cause Notice issued
2 M/s Reliance Telecom Limited 80.344 Show Cause Notice issued
3 M/s Videocon Telecommunications Limited 42 Demand Notice issued
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